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CENTRAL INTELLIGENCE AGENCY

15 July 1949

INTELLIGENCE MEMORANDUM NO. 198

SUBJECT: CIA Comment on ONI Study "USSR Strategic Materials."

1. Supplementary Publications.

Attention is drawn to the following items of staff intelligence recently published by CIA which relate to the subject study:

- IM-72 Postwar Sugar Production of the USSR (October 1948)
- IM-80 Precision Bearings (November 1948)
- IM-82 and IM-82 Supplement: Intensification of Soviet Efforts to Procure Strategic Materials. (February 1949)
- IM-93 Methods Used by Soviet Controlled Countries for Acquisition of Ball Bearings and Other Strategic Commodities (December 1948)
- IM-127 Significance of Western European Imports to the Soviet Bloc (February 1949)
- IM-132 Harmon Committee Project (March 1949)
- IM-146 Soviet Deficiencies in Strategic Items in 1952 (March 1949)
- ORE 8-49 The Rubber Supply Situation in the USSR (March 1949)

2. Pending Publications.

The following publications of interest in this connection are under preparation:

- IV-181 Revision of Certain Aspects of JIC 435/21 (September 1949)
- ORE 66-49 The World Breadgrain Situation (August 1949)
- ORE 24-49 The Petroleum Position of the USSR (August 1949)

3. Related Publications.

The following publications, while not directly concerned with subject study, shed considerable light on Soviet strategic deficiencies:

- IM-150 Attempts to Procure Strategic Items Indirectly from the

Note: This memorandum has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and Air Force.

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US by the USSR and Satellites (April 1949)

IM-174 Some Loopholes in US Export Control Program (May 1949)

IM-185 The Abrasive Industry of Eastern Europe and the USSR
(June 1949)

IM-190 Movement of Tin to the Soviet Orbit (July 1949)

4. Comments.

The following specific comments on subject paper are submitted for consideration:

a. Page 2. para. 2 (a) Tin.

CIA questions the statement that "Since only negligible quantities are known to have been imported by the USSR in 1948...." The Netherlands shipped to the USSR 600 tons of tin during the last quarter of 1948 and 400 tons during the first quarter of 1949. Furthermore, during the latter part of 1948, the USSR received from the Netherlands 1000 tons of white metal with a minimum tin content of 83 percent. It is probable that additional shipments of tin or tin-bearing metal were made during 1948 and 1949 but no further definite information is available.

b. Page 3. Third Sentence.

It is doubted if the substitution of laminated wood material would result in the saving of much tin, as is implied in the statement "Tin substitutes such as laminated wood material..."

c. Page 4. para.(c) "Other Raw Materials."

It is suggested that the USSR can also obtain considerable quantities of antimony from Czechoslovakia and Hungary. Yugoslavia also produces antimony.

d. Pages 4 and 5 "Hard Fibers."

Supplementing the statements in subject study, CIA's information shows that the USSR imported about 5,150 metric tons of hard fibers in 1947 and 31,000 metric tons in 1948. Jute, imported from India, is also a substitute.

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e. Page 5, para 4(a). "Steel"

CIA questions the emphasis in the statement "It has been importing both of these commodities..." The USSR is importing very little pig iron or raw steel. Most iron and steel imports are in the form of finished goods.

f. Page 5, para 4(b). "Capital Equipment."

It is suggested that the phrase "not large" be deleted and that the word "undetermined" be substituted therefor, and that the same sentence be strengthened by deleting the word "could" in the phrase "certain vital imports could prevent...."

g. Page 6, second para, first sentence.

Following the words "electrical equipment", it is suggested that "oil field equipment" be added. In the same paragraph, third sentence, it is suggested that the phrase "although quantitatively small" be deleted following the phrase "(and other equipment)."

h. Page 6, third para., second sentence.

It is suggested that the word "would" be deleted to strengthen the statement to read "The loss of imports from the Western world retards..."

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